



Capital Allowances Act 2001

2001 CHAPTER 2

PART 4

AGRICULTURAL BUILDINGS ALLOWANCES

CHAPTER 3

QUALIFYING EXPENDITURE

370 Purchase of relevant interest before first use of agricultural building

- (1) This section applies if—
- (a) capital expenditure has been incurred on the construction of an agricultural building,
 - (b) the expenditure was incurred for the purposes of husbandry as mentioned in section 361,
 - (c) the relevant interest is sold before the building is first used, and
 - (d) a capital sum is paid by the purchaser for the relevant interest.
- (2) The lesser of—
- (a) the capital expenditure incurred on the construction of the agricultural building, and
 - (b) the capital sum paid by the purchaser,
- is qualifying expenditure.
- (3) For the purposes of subsections (1) and (2)—
- (a) capital expenditure incurred on the construction of the agricultural building does not include any amount excluded from being taken into account under section 369(3) to (5), and
 - (b) the capital sum paid by the purchaser for the relevant interest does not include any amount which, on a just and reasonable apportionment, is attributable to

Status: This is the original version (as it was originally enacted).

assets representing expenditure in respect of which an allowance cannot be made under this Part.

- (4) Subsection (3)(b) does not affect sections 562, 563 and 564(1) (apportionment and procedure for determining apportionment).
- (5) The qualifying expenditure is to be treated as incurred when the capital sum became payable.
- (6) If the relevant interest is sold more than once before the building is first used, subsection (2) has effect only in relation to the last of those sales.